

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2053 - HB 2289

February 29, 2016

SUMMARY OF BILL: Authorizes any county that creates a new division of general sessions court to impose a local litigation tax on each case filed up to \$9.00. This tax may only be imposed after a two-thirds approval vote of the legislative body; a proclamation by the presiding officer of the body; and a certification by the presiding officer to the Secretary of State.

Requires the litigation tax proceeds to be paid to the county general fund. States that it is the intent of the General Assembly that the proceeds of the litigation tax aid in defraying the costs associated with paying general sessions court judges. Authorizes new divisions of general sessions court that hears environmental issues to use revenue generated from litter enforcement pursuant to Tenn. Code Ann. § 39-14-5.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- This bill is applicable only to local government; therefore, no impact to state government.
- Pursuant to Tenn. Code Ann. § 16-15-5006(a), counties are currently authorized to impose a local litigation tax up to \$6.00 on each case filed in general sessions court. In addition, if the revenue generated from the \$6.00 litigation tax is insufficient, the county may increase and adjust the tax annually pursuant to this current statute.
- Given that counties have authority under current law to adjust the local litigation tax, passage of this bill would not provide counties any additional authority. As a result, any permissive impact to local revenue is considered to be not significant.
- A shift in any revenue generated from litter enforcement in Tenn. Code Ann. § 39-14-5 for the use of general sessions courts will result in a zero net fiscal impact to local governments.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/amj